8 August 1960

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# CENTRAL

# INTELLIGENCE

# BULLETIN



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Approved for Release: 2020/03/13 C03185148

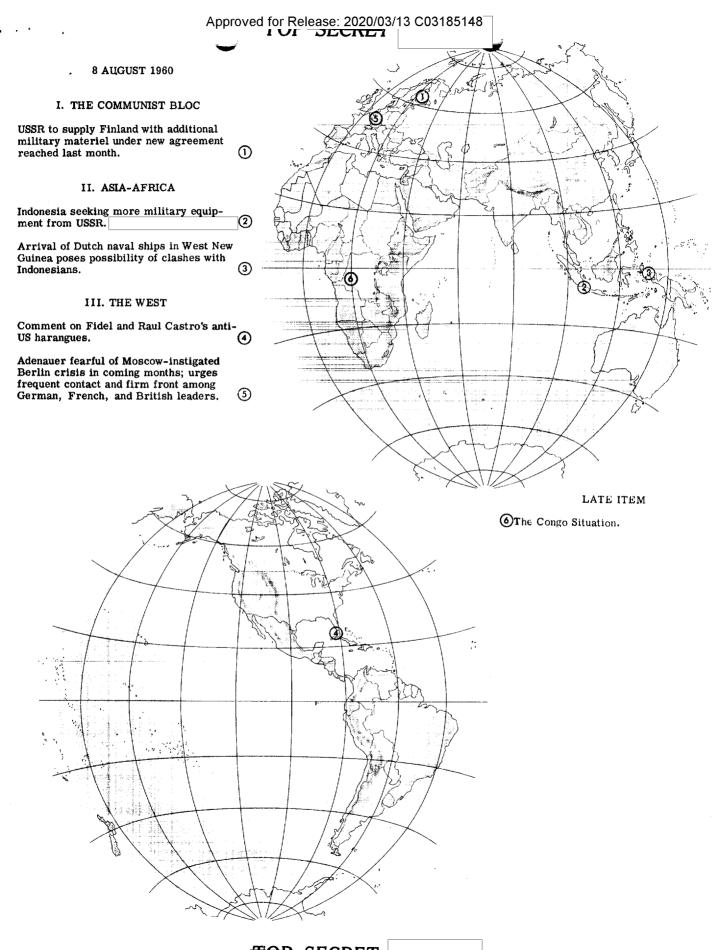
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## CENTRAL INTELLIGENCE BULLETIN

8 August 1960

## DAILY BRIEF

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#### I. THE COMMUNIST BLOC

USSR-Finland: Under a new agreement reached in Moscow late last month, the Soviet Union will deliver to Finland a second IL-28 jet bomber, seven helicopters, 31 additional T-54 tanks, and more than 20,000 rifles and machine guns, presumably early next year. During the negotiations, the USSR also offered to supply jet fighters. The Finns were more interested in acquiring antiaircraft missiles, but the Russians refused to discuss the subject. The Finns, in recent years, have been reluctant to accept arms from the USSR. A shortage of foreign exchange and Finland's concern that it must retain Soviet good will have limited arms purchases from the West and have made the Finnish Government more willing to take.

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II. ASIA-AFRIĆA

USSR-Indonesia: Khrushchev assured Indonesian First Minister Djuanda, during his visit to Moscow last month, that additional military equipment which is "essential and urgent" could be supplied by the USSR. During Djuanda's visit, a new request for aid to the Indonesian Air Force was presented to Soviet defense officials. About 225 million dollars' worth of bloc military equipment has been delivered since 1958.

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Indonesia is also exploring Moscow's offer of substantial aid to the Indonesian Navy which was made during Khrushchev's visit to Indonesia in February.

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Indonesia-Netherlands: The recent arrival of Dutch naval units, including the aircraft carrier Karel Doorman, in West New Guinea--an area claimed by Indonesia--poses the possibility of an armed clash between Indonesian and Dutch forces. Indonesian public concern over the Dutch naval movements has been deliberately revived by the Djakarta government, and the likelihood of a highly emotional speech on the subject by President Sukarno on 17 August, Indonesian independence day, will further increase tension. The most critical period will be from 24 to 26 August when the Dutch ships are scheduled to be exercising north of New Guinea. Danger would appear to stem, not from deliberate provocation by either side, but from chance encounters between Indonesian air patrols and the Dutch ships, which could lead to an unpremeditated incident.

## III. THE WEST

Cuba: Fidel and Raul Castro's week-end harangues expressed confidence and determination that neither the US, which Fidel called "militarily second best," nor the "lackey foreign ministers of the OAS," can stop the Cuban revolution and Latin America's "liberation from the Yankee colonial yoke." The Castros' uncompromising vehemence and the decree in effect ordering confiscation of most remaining American properties in Cuba came ten days before the opening of the OAS foreign ministers' meetings. They suggest that the Cuban leaders are convinced that US military intervention in Cuba, which they might even be trying to provoke, would enhance the prospects for Latin America's "revolution of liberation."

Germany-UK-France: Adenauer, increasingly fearful that Khrushchev may take advantage of the US election campaign to precipitate a crisis over Berlin and Germany, wants the top European leaders to maintain frequent contact and a firm front during this period. He apparently stressed these views to De Gaulle in Paris on 29 July, and will probably do the same in his talks in Bonn with Macmillan on 10 August. Direct consultations among the three leaders are expected frequently in coming months.

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#### LATE ITEM

\*Republic of the Congo: President Kasavubu's Abako party, which is strong in the lower Congo region, has revived its pre-Dealer Lumumba's concept of a scheduled move of troops into Katanga, the anti-Lumumba elements appear to be attempting to join forces in an effort to undermine and possibly oust Lumumba. Tshombé's regime, meanwhile, is pushing the buildup of its new security force and still appears determined to resist any external force attempting to move into the province.

The UN Security Council session on the Congo and still as scheduled for 7 August, was postner unisia, Ceylon, Argenting g on a resolution.

ing on a resolution designed both to meet Hammarskjold's request for new assurances to Tshombé of the UN's neutrality in the Congo's constitutional controversy and to gain the acceptance of African countries backing Lumumba. Ghana and Guinea have already offered military assistance to Lumumba independent of the UN effort. (Page 4)

# New Soviet-Finnish Arms Agreement

Moscow's persistence in offering military aid, which is intended to tighten Finnish ties with the USSR, has again resulted in a decision by Helsinki to accept Soviet arms. Under a new agreement, concluded in Moscow in late July, the Soviet Union will deliver to Finland a second IL-28 twin-jet bomber, seven helicopters, 31 additional T-54 medium tanks, 21,000 automatic rifles, and 1,000 machine guns.

Soviet officials reportedly also offered to provide MIG-17 or MIG-19 jet fighters, but the Finns apparently expressed a preference for antiaircraft guided missiles. Moscow, however, refused to discuss missiles during the negotiations. Nevertheless, Finnish defense officials intend to renew their request at a later date.

The new arms purchases, which may eventually amount to \$25,000,000, are to be considered part of the Soviet \$125,000,000 long-term credit extended to Finland last year. Lack of funds to meet the requirements of the armed forces may have prompted Helsinki to draw on its credit to make the additional purchases from the Soviet Union.

In 1959, Finland bought one IL-28 bomber—an obsolete aircraf for target-towing purposes—12 T-54 tanks, and various other mil-	
itary equipment in a token purchase from the USSR.	

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#### Possible New Soviet Arms Aid to Indonesia

Soviet Premier Khrushchev has assured Indonesian First Minister Djuanda that additional Soviet arms and equipment considered "essential and urgent" for Djakarta's defense needs could be supplied. Although the Indonesians were told that Khrushchev was too busy to discuss military requirements in detail during Djuanda's July visit to Moscow, the Indonesian Air Force presented a new request for materiel to senior Soviet defense officials. Apparently the Soviet officials indicated that the request would be granted, but final approval would have to be given by Khrushchev. There is, however, no precise information as to the nature of the Indonesian request.

Indonesia is also exploring Khrushchev's offer of last February to provide substantial new aid to the Indonesian Navy. The USSR has indicated a willingness to supply a wide variety of naval vessels—including a cruiser and four submarines—as well as arms and equipment suitable for amphibious operations. In 1958, the Indonesian Navy purchased submarines, destroyers, and other vessels from the Communist bloc.

The Indonesian Air Force, which made large purchases of bloc aircraft—including MIG-17 jet fighters and IL-28 jet bombers—in 1958 and 1959 as a part of the 225 million dollars of military hardware supplied by the bloc, has in recent months been arranging for additional bloc training for its personnel. Contracts probably were concluded recently with Poland providing for radar training both in Poland and in Indonesia. In addition, new flight training may have been arranged for with Czechoslovakia now that the original air-training courses have been completed.

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## Adenauer Seeks Common European Front Against Khrushchev

Talks in Bonn on 10 August between Prime Minister Macmillan and Chancellor Adenauer are likely to center around Adenauer's fear that Khrushchev may precipitate a crisis over Berlin or Germany prior to the inauguration of the new US President. Adenauer apparently discussed this fear with President de Gaulle on 29 July at Rambouillet outside Paris. Adenauer may urge more frequent meetings in the coming months among the three leaders in an effort to present a position of Western firmness and thereby prevent any miscalculation by Khrushchev.

Adenauer and De Gaulle also agreed on the general need for a strengthening and "updating" of NATO. Adenauer nevertheless found De Gaulle "more adamant than ever" on his refusal to integrate French forces in NATO or permit the storage of US atomic weapons on French soil.

De Gaulle renewed his suggestion to create a NATO political standing group in which the French member would be the spokesman for the six Common Market countries.

#### Reports

are conflicting, particularly respecting the proposed reorganization of European institutions. Adenauer has minimized the extent to which this was discussed, and Ambassador Dowling in Bonn has gained the impression that the Chancellor now wishes to proceed more slowly with concrete steps toward European integration, possibly out of concern over the strong British reaction against proposals to accelerate integration.

stress this aspect of the talks, and claim that De Gaulle and Adenauer are agreed on further steps to strengthen political cooperation among the Common Market countries.

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### The Situation in the Congo

As the UN Security Council prepares to consider the Congo crisis again on 8 August, tension has once more risen sharply in the Congo amidst signs pointing toward an early showdown between Premier Lumumba--who is due back in Leopoldville on 8 August -- and Congolese political elements opposed to him and his concept of a highly centralized Congo state. President Kasavubu's Abako party, which is dominant in the lower Congo region, revived publicly on 7 August its earlier demands for "independence" within a loosely-joined Congo confederation and adopted a formal expression of no confidence in Lumumba.

Kasavubu's failure to dissociate himself from his party's action suggests he may be behind it and perhaps also working with leaders of other parties to undermine and possibly oust Lumumba. Earlier Kasavubu and Lumumba were bitter rivals for the premiership of the first Congolese government. Premier Tshombé of separatist Katanga Province indicated on 7 August that he was engaged in "negotiations" with other confederationminded Congolese leaders, including "some" from the lower Congo and also Equator Province.

Time appears to be working against Lumumba's opponents. There is increasing evidence that Lumumba is proceeding rapidly to reorganize the disintegrated Force Publique as part of his personal political organization. This presumably accounts in part for the lack of interest and evasiveness of Lumumbaappointed Congolese officers toward UN suggestions for the organization of a national army.

In Katanga, Tshombé is endeavoring to strengthen his bargaining position in any future negotiations with the central government and to counteract charges that he is merely a Belgian puppet. Tshombé declared on 6 August that his government did not intend to preserve an exclusive role for Belgians in the exploitation of Katanga's great mineral wealth and that Belgian troops would leave the province as soon as the new Katanga forces are strong enough to maintain security. Belgium, apparently encouraged by indications that wide Katangan support for Tshombe is facilitating a rapid buildup of the new force toward a 3,000-man goal, has offered to make

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an early announcement of its intention to withdraw Belgian troops from Katanga within a few weeks, according to a Belgian official in Elisabethville.

Tshombé's regime still appears determined to resist with all its resources any external force, whether or not under UN auspices, which might attempt to move into Katanga Province. Plans for resistance apparently include the harassment of "invaders" by tribesmen employing guerrilla tactics. A Belgian official who visited the province last week returned to Leopoldville with reports that tribes loyal to Tshombé were "preparing for war." Such reports are contributing to the great concern being displayed among the approximately 15,000 Belgian civilians remaining in the Katanga.

Moscow, which has become increasingly critical of the UN intervention, has denounced Hammarskjold for "capitulation to the colonialists." Izvestia on 6 August said the Security Council must call for an immediate withdrawal of Belgian troops from Katanga and an end to "attempts to tear this province from the Congo Republic."

In a statement of 5 August terming the Congo situation as "absolutely intolerable," the Soviet Government charged Belgium, supported by its NATO allies, with defying the United Nations. While the statement carefully avoided commiting the USSR to any unilateral action, it attempted to sustain the impression that Communist bloc countries stand ready to send forces if the present UN contingents are unable to enforce the Security Council's resolutions. Soviet leaders apparently hope that their implied threats of unilateral action will increase pressure for an early withdrawal of Belgian forces, thus enabling the USSR subsequently to claim credit for having protected Congolese independence and unity.

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